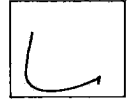


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-01536A
Lazy C Water Service
PO Box 1
Tucson, AZ 85702

RECEIVED

SEP 14 2009

AR CORP COM
Director Utilities

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2009
----	----	------

FOR COMMISSION USE

ANN 04	09
--------	----

9-14-10

COMPANY INFORMATION

Company Name (Business Name)

LAZY C WATER SERVICE

Mailing Address

P.O. Box 1

(Street)

TUCSON

(City)

AZ

(State)

85702

(Zip)

520-743-0758

Telephone No. (Include Area Code)

520-743-4557

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address

rchiser@usa.com

Local Office Mailing Address

same

(Street)

(City)

(State)

(Zip)

same

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address

same

MANAGEMENT INFORMATION

☒ Regulatory Contact:

☒ Management Contact:

ROBERT J. CANFIELD

(Name)

PRESIDENT

(Title)

4802 W. Kay T DR

(Street)

TUCSON

(City)

AZ

(State)

85745

(Zip)

520-743-0758

Telephone No. (Include Area Code)

520-743-4557

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address

rchiser@usa.com

On Site Manager:

same

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address

Statutory Agent: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

LAZY C WATER SERVICE

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	23,100	12,982	10,118
311	Pumping Equipment	39,254	30,180	9,074
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	13,569		
331	Transmission and Distribution Mains	220,349	34,487	185,862
333	Services	1,994		
334	Meters and Meter Installations	14,704		
335	Hydrants	589		
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	11,847		
340	Office Furniture and Equipment	1,565		
341	Transportation Equipment	38,000	25,609	12,391
343	Tools, Shop and Garage Equipment	24,837		
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	389,808	103,258	286,550

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME LAZY C WATER SERVICE

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	23,100	3.33	769
311	Pumping Equipment	39,254	12.5	4907
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	13,569		
331	Transmission and Distribution Mains	220,349	2.0	4407
333	Services	1,994		
334	Meters and Meter Installations	14,704	8.33	1225
335	Hydrants	589		
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	11,847		
340	Office Furniture and Equipment	1,565		
341	Transportation Equipment	38,000	20.0	7600
343	Tools, Shop and Garage Equipment	24,837		
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	389,808		18,908

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME **LAZY C WATER SERVICE**

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 4,243	\$ (2,752)
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	5,036	2,192
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 9,279	\$ (-500)
	FIXED ASSETS		
101	Utility Plant in Service	\$ 389,808	\$ 389,808
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	85,575	103,258
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 304,233	\$ 286,556
	TOTAL ASSETS	\$ 313,512	\$ 286,556

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME LAZY C WATER SERVICE

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	287,087	260,662
	TOTAL CURRENT LIABILITIES	\$ 287,087	\$ 260,662
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 287,087	\$ 260,662
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 10,000	\$ 10,000
211	Paid in Capital in Excess of Par Value	5,767	5,767
215	Retained Earnings	10,658	10,658
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 26,425	\$ 26,425
	TOTAL LIABILITIES AND CAPITAL	\$ 313,512	\$ 287,087

COMPANY NAME Lazy C WATER

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 102,054	\$ 107,458
460	Unmetered Water Revenue	1020	19
474	Other Water Revenues		
	TOTAL REVENUES	\$ 102,674	\$ 107,477
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water	2,431	3,900
615	Purchased Power	13,601	14,474
618	Chemicals		
620	Repairs and Maintenance	51,360	23,525
621	Office Supplies and Expense	5,716	9,494
630	Outside Services	16,208	23,046
635	Water Testing	964	1,610
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability		5,796
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	9,815	2,633
403	Depreciation Expense	8,053	18,908
408	Taxes Other Than Income	11,742	9,942
408.11	Property Taxes	3,857	3,799
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 129,747	\$ 120,619
	OPERATING INCOME/(LOSS)	\$ (27,100)	\$ (12,542)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ (27,100)	\$ (12,542)

COMPANY NAME LAZY C WATER SERVICE

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ -0.00-

Meter Deposits Refunded During the Test Year

\$ -0.00-

COMPANY NAME	LAZY C WATER SERVICE		
Name of System:	10-065	ADEQ Public Water System Number:	10-065

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-801499	15	60	563	8-5/8	1-1/2	1993
55-801500	15	48	650	8	1-1/2	1996

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
CITY OF TUCSON	90	

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
25	1	1	
20	1		
10	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100,000	1	3,000	2
25,000	1	2,000	1
16,000	1		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	LAZY C WATER SERVICE		
Name of System:		ADEQ Public Water System Number:	10-065

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		8,909
3		1,600
4		21,765
5		
6		18,184
8		
10		
12		

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	106
3/4	
1	25
1 1/2	1
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

250' chain link fence 6' high

68' grape stake 5' high

300' colored concrete block wall 5' high

6' chain link gate (2)

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: <u>LAZY C WATER SERVICE</u>
Name of System: _____ ADEQ Public Water System Number: <u>10-065</u>

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	132	1,096,262	908,000	14,212
FEBRUARY	133	954,438	893,000	15,708
MARCH	133	1,512,150	1,313,100	4,488
APRIL	133	1,652,560	1,206,000	38,896
MAY	133	1,763,690	1,644,650	329,868
JUNE	133	2,144,960	1,644,650	133,144
JULY	133	1,603,520	1,411,600	136,136
AUGUST	133	2,105,600	1,640,650	186,252
SEPTEMBER	133	1,778,140	1,640,650	131,648
OCTOBER	133	1,527,410	1,383,000	135,388
NOVEMBER	133	1,379,760	1,264,400	71,808
DECEMBER	133	1,171,940	1,104,500	22,440
TOTALS →		18,681,430	16,054,200	1,219,988

POE #1 - 0.0064

What is the level of arsenic for each well on your system? POE #2 - 0.0066 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 1,000 GPM for 4 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
() Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
(X) Yes () No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (X) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: LAZY C WATER SERVICE	
Name of System:	ADEQ Public Water System Number: 10-065

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY			
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →			

OTHER (description):

COMPANY NAME LAZY C WATER SERVICE YEAR ENDING 12/31/2009

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2009 was: \$ 3,800.00

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED
SEP 24 2010
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>PIMA</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>ROBERT J. CANFIELD, PRESIDENT</u>
COMPANY NAME	<u>LAZY C WATER SERVICE</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

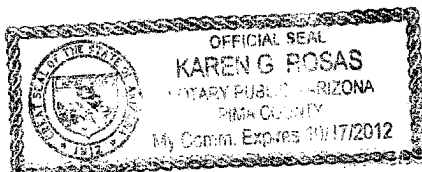
MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2009</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



Robert J. Canfield
SIGNATURE OF OWNER OR OFFICIAL
520-743-0758
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11th

DAY OF Sept 2010

COUNTY NAME	<u>Pima</u>
MONTH	<u>Sept.</u>
	<u>2010</u>

(SEAL)

Karen G. Rosas
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 10-17-2012

COMPANY NAME LAZY C WATER SERVICE YEAR ENDING 12/31/2009

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 107,478
Estimated or Actual Federal Tax Liability 0

State Taxable Income Reported -7,324
Estimated or Actual State Tax Liability 0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 0
Amount of Gross-Up Tax Collected 0
Total Grossed-Up Contributions/Advances 0

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Robert J. Canfield
SIGNATURE

9-11-10
DATE

ROBERT J. CANFIELD
PRINTED NAME

PRESIDENT
TITLE

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

RECEIVED
SEP 14 2012
AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>PIMA COUNTY</u>
NAME (OWNER OR OFFICIAL) TITLE <u>ROBERT J. CANFIELD PRESIDENT</u>
COMPANY NAME <u>LAZY C WATER SERVICE</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH <u>12</u>	DAY <u>31</u>	YEAR <u>2009</u>
--------------------	------------------	---------------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 107,478

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ -0-

IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 11th DAY OF

(SEAL)

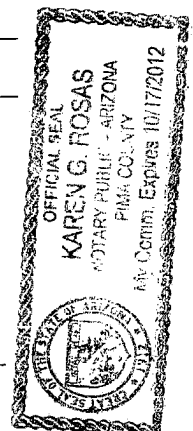
MY COMMISSION EXPIRES 10-17-2012


SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

COUNTY NAME <u>Pima</u>	
MONTH <u>Sept.</u>	<u>2010</u>


SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE**
Intrastate Revenues Only

RECEIVED
OCT 14 2010
AZ CORP COMM
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	PIMA COUNTY	
NAME (OWNER OR OFFICIAL)	ROBERT J. CANFIELD	TITLE PRESIDENT
COMPANY NAME	LAZY C WATER SERVICE	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

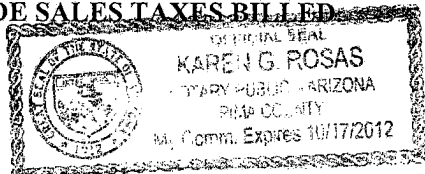
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 107,478

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ -0-
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED



Robert J. Canfield
SIGNATURE OF OWNER OR OFFICIAL
520-743-0758
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11th

DAY OF

NOTARY PUBLIC NAME	Karen G Rosas	
COUNTY NAME	Pima	
MONTH	Sept	2010

(SEAL)

MY COMMISSION EXPIRES 10-17-2012

Karen G Rosas
SIGNATURE OF NOTARY PUBLIC